

building up even before this financial crisis hit—and so the imperatives of having an energy policy that actually works for America and frees ourselves from dependence on foreign oil and improves our economy and makes sure that our planet doesn't reach a tipping point in terms of climate change; a health care system that is still hugely inefficient; an education system that's not educating enough of our kids; underinvestment in infrastructure and basic research—those challenges, those existed even before this crisis.

Given all that's happening, if we don't make good decisions now, then we may be making a set of decisions that have dire consequences for not just this generation, but for many generations to come. Most of the people under this tent will be fine, but America won't reflect the same ideals and values and possibilities that we grew up with.

And I don't know about you, but I believe in a big, generous, optimistic, tolerant, vibrant, diverse America, not a cramped vision of what America can be. But we're going to have to fight for that vision. It's not going to be easy. And the only way that we're going to be successful in 2012 is if people feel as much passion and understand what's at stake and are willing to fight for the kind of America they believe in as we did back in 2008.

I still remember—you were mentioning Inauguration Day. What I remember is the night of the election. And we were in Chicago, and it was a really beautiful night. Everybody has fond memories of the "Hope" poster and Oprah crying. [Laughter] But I hope people al-

so remember, I said, "This is not the end, this is the beginning. This is just the start. And we didn't get into this fix overnight, and we're not going to get out of it overnight. We've got a steep hill to climb."

And Sheryl is right, we've made enormous progress over the last 2½ years, everything from making sure 30 million people have health care who didn't have it before, to making sure that we doubled fuel efficiency standards on cars, to making sure that we ended "don't ask, don't tell," to making sure that we signed into law the basic notion that there should be equal pay for equal work, to getting 100,000 troops out of Iraq. We've made enormous progress, but we've got a lot more work to do. And I'm ready to do it, but I can only do it if I've got your help.

So I appreciate you being here tonight. But understand, just as we were just starting on election night, I'll tell you what, we're not even halfway through our journey yet. We've got a lot more work to do, and I'm going to need all of you to be willing to join me.

All right, thank you very much.

NOTE: The President spoke at 8:09 p.m. at the residence of Sheryl K. Sandberg, chief operating officer, Facebook, Inc., and David B. Goldberg. In his remarks, he referred to Mark E. Zuckerberg, founder and chief executive officer, Facebook, Inc.; and talk show host Oprah Winfrey. The transcript was released by the Office of the Press Secretary on September 26. Audio was not available for verification of the content of these remarks.

Remarks at a Question-and-Answer Session With LinkedIn Participants in Mountain View, California

September 26, 2011

LinkedIn Corporation Chief Executive Officer Jeff Weiner. Good morning, everyone.

Audience member. Yes!

Mr. Weiner. Oh, very nice. [Laughter] Thank you so much for joining us here today for a very special town hall discussion on a subject we all know to be truly important, and

that's putting America back to work. In just a moment, I'm going to be introducing a very special guest, but before I do, just a few brief introductory remarks.

I think today's venue, the Computer History Museum, here in Silicon Valley, is a very fitting one for our discussion. There's a number of

folks who've come to Silicon Valley not just for a job, or even a career path, but because they're interested in changing the world. And that's possible here because of the amazing technologies and companies that have been born in this area.

You think back to the semiconductor revolution, the age of computing, and of course, the Internet, and most recently, with regard to the Internet, the rise of social networks connecting hundreds of millions of people around the world in milliseconds. Perhaps more importantly are the behavioral changes taking place as a result: the way in which we go online, represent our identities, stay connected to friends, family and colleagues, and of course, share information, knowledge, ideas, and opinions. It's fundamentally transforming the world: the way we live, the way we play, and the way we work.

And it's that last dynamic, changing the way we work, which is where LinkedIn is focused. We connect hundreds of millions of people, ultimately, around the world by connecting talent with opportunity: today, 120 million members on a global basis, and that's growing north of two members per second, the fastest rate of growth in our history.

When we talk about connecting talent with opportunity we're not just referring to enabling people to find a job or their dream jobs. We're also talking about enabling people to be great at the jobs that they're already in. This is what we do, day in and day out. But our dream is even bigger than that. There are 153 million people in the American workforce; there are 3.3 billion people in the global workforce. Ultimately, our vision is to create economic opportunity for every one of them.

What's somewhat unusual about this vision is it won't simply be manifested by the employees of our company, but by our members as well, because every individual that joins the LinkedIn network is in a position to, in turn, create economic opportunity for others. We're very fortunate today to be joined by several of our members, and we're going to be hearing from them shortly.

Lastly, on the subject of economic opportunity, there seems to be one number on every-

body's minds these days: 9.1 percent, the unemployment rate in this country. Over 14 million Americans are unemployed, and that number grows to north of 25 million when you factor in those that are underemployed and marginally attached to the workforce.

There's one number you may be less familiar with, and that's 3.2 million, the number of available jobs in this country—3.2 million. We have everything we need to begin to put this country back to work: the raw materials, the basic building blocks, and perhaps most importantly, the will of a nation. What we need is the way. With the "American Jobs Act," our President is leading the way.

Ladies and gentlemen, it is my great honor and privilege to introduce the President of the United States.

The President. Thank you. Everybody, please have a seat. Thank you. Thank you very much. It's a nice crowd. [Laughter] And I have to say, Jeff, you warmed them up very well.

Mr. Weiner. Thank you, Mr. President.

The President. I thank you so much for your hospitality. And let me begin by just saying how excited I am to be here. Every time I come to Silicon Valley, every time that I come to this region, I am excited about America's future. And no part of the country better represents, I think, the essence of America than here, because what you see is entrepreneurship and dynamism, a forward orientation, an optimism, a belief that if you got a good idea and you're willing to put in the sweat and blood and tears to make it happen, that not only can you succeed for yourself, but you can grow the economy for everybody. And it's that driving spirit that has made America an economic superpower.

But obviously, we're in a period of time right now where the economy is struggling and a lot of folks all across the country are struggling. And so part of what I hope to do is to have a conversation with all of you about how can we continue to spark the innovation that is going to ensure our economic success in the 21st century; how can we prepare our workforce to be able to plug in to this new economy; how do we recognize that, in this competitive environment,

there are all kinds of opportunities that LinkedIn presents for interconnectedness and people being able to work together and spread ideas around the world and create value, but at the same time, understanding that there are some perils as well.

If our kids aren't properly educated, if we don't have an infrastructure that is world-class, if we are not investing in basic research in science, if we're not doing all the things that made us great in the past, then we're going to fall behind.

And we've got a short-term challenge, which is how do we put people back to work right now. And so, as you mentioned, I put forward a proposal, the "American Jobs Act," that would put thousands of teachers back into the classrooms who have been laid off due to downturns in State and local budgets; that would make sure that we are rebuilding our infrastructure, taking extraordinary numbers of construction workers who have been laid off when the housing bubbles went bust and putting them to work rebuilding our roads and our airports and our schools, and laying broadband lines—all the things that help us make a success and also make sure that we're providing small businesses the kinds of tax incentives that will allow them to hire and allow them to succeed.

And I have said to Congress, I understand that there's an election 14 months away, and it's tempting to say that we're not going to do anything until November of 2012, but the American people cannot afford to wait. The American people need help right now. And all the proposals we've put forward in the "American Jobs Act" will not only help us now, but will also help us in the future, will lay the foundation for our long-term success.

Last point I'll make—and then I want to get to questions—it's all paid for. And it's paid for in part by building on some very tough cuts in our budget to eliminate waste and things we don't need—that we've already made a trillion dollars over the next 10 years. We've proposed an additional half a trillion dollars over the next 10 years of spending cuts and adjustments on

programs that we want to keep intact, but haven't been reformed in too long.

But what I've also said is, in order to pay for it and bring down the deficit at the same time, we're going to have to reform our Tax Code in a way that's fair and makes sure that everybody is doing their fair share. I've said this before, I'll say it again: Warren Buffett's secretary shouldn't be paying a lower tax rate than Warren Buffett. Somebody who's making \$50,000 a year as a teacher shouldn't be paying a higher effective tax rate than somebody like myself or Jeff, who've been incredibly blessed—I don't know what you make Jeff, but I'm just guessing—[laughter]—who've been blessed by the incredible opportunities of this country.

And I say that because whenever America has moved forward, it's because we've moved forward together. And we're going to have to make sure that we are laying the foundation for the success of future generations, and that means that each of us are doing our part to make sure we're investing in our future.

So with that, thank you so much for the terrific venue. I look forward to a bunch of great questions, both live and through whatever other linkages that we've got here. [Laughter]

Mr. Weiner. You've got it. So we're going to be going back and forth between folks in the audience members and some previously generated questions from the LinkedIn group. So we're going to start.

National Economy/Job Creation

Our first question is from LinkedIn member Chuck Painter. And, Chuck, we're going to get you a mike—

Q. Good morning, Mr. President.

The President. Good morning.

Q. I'm from Austin, Texas. I've been in sales in the plastics industry for 20 years. I lost my job in 2009 and am fortunate enough to have found another position, become reemployed. My question is, what can we do as American citizens to unite ourselves and help the economy?

The President. Well, first of all, are you a native of Austin? Because that's one of my favorite cities in the country.

Q. Actually, I'm a native of Charlotte, North Carolina, but just relocated to Austin, and I love it there.

The President. Austin is great; Charlotte is not bad. [Laughter]

Q. Thank you, thank you, thank you.

The President. That's the reason why I'm having my convention in Charlotte, because I love North Carolina as well. But the—how long did it take you to find a new job after you had gotten laid off?

Q. It took 9 months.

The President. It took 9 months?

Q. Yes, sir.

The President. And that's one of the challenges that a lot of folks are seeing out there. You've got skilled people with experience in an industry. That industry changes, and you were fortunate enough to be able to move. Some folks, because of the decline in the housing industry, are having trouble with mobility in finding new jobs and relocating in pursuit of opportunity.

Q. Yes, sir.

The President. The most important thing that we can do right now is to help jump-start the economy, which has stalled, by putting people back to work. And so not surprisingly, I think the most important thing we can do right now is pass this jobs bill.

Think about it. Independent economists have estimated that if we pass the entire package, the "American Jobs Act," we would increase GDP by close to 2 percent; we would increase employment by 1.9 million persons. And that is the kind of big, significant move in the economy that can have ripple effects and help recovery take off.

There's been a lot of dispute about the kind of impact that we had right after the financial crisis hit. But the fact is, the vast majority of economists who looked at it have said that the Recovery Act, by starting infrastructure projects around the country, by making sure that States had help on their budgets so they didn't have to lay off teachers and firefighters and others, by providing tax cuts to small businesses—and by the way, we've cut taxes about 16 times since I've been in office for small busi-

nesses to give them more capital to work with and more incentives to hire—all those things made a big difference.

The "American Jobs Act" is specifically tailored to putting more of those folks back to work. It's not going to solve all our problems. We've still got a housing situation in which too many homes are underwater. And one of the things that we've proposed as part of the "American Jobs Act" is, is that we're going to help reduce the barriers to refinancing so that folks can get record-low rates. That will put more money into people's pockets. It will provide tax cuts to not only small businesses, but almost every middle class family. That means they've got more money in their pockets, and that means that they're going to be able to spend it on products and services, which provide additional incentives for business to hire folks like you.

So it's the right step to take right now. Long term, we're going to have to pull together around making sure our education system is the best in the world, making sure our infrastructure is the best in the world, continuing to invest in science and technology. We've got to stabilize our finances, and we've got to continue to drive down health care costs, which are a drag on our whole economy. And we've got to continue to promote trade, but make sure that that trade is fair and that intellectual property protection, for example, is available when we're doing business in other countries, like China.

So there are a lot of long-term agendas that we've got to pursue. Right now, though, the most important thing I can do for you, even if you already have a job, is to make sure that your neighbors and your friends also have jobs, because those are ultimately the customers for your products.

Q. Yes, sir. Yes, thank you, Mr. President.

Mr. Weiner. All right. Thank you, Chuck.

We'd now like to take a question from the audience. So anyone interested?

The President. This young lady right here.

Mr. Weiner. Okay. Could we get a mike over there, please? Thank you.

Social Security/Medicare/Job Growth Legislation

Q. Hi. I have a question actually from my mother, who is going to be 65 next March. And she lives in Ohio, which has a very high unemployment rate. She has a GED, and she's always worked in food service. She's currently unemployed, just got approved for Section 8 housing, gets Social Security and food stamps. And she wants to know, when can she get a job, and what's going to happen to Social Security and Medicare?

The President. Well, first of all, where does your mom live in Ohio?

Q. Mentor.

The President. Mentor. What part of Ohio is that?

Q. It's the east side of Cleveland.

The President. Okay. Well, tell mom hi. [Laughter] You get points for being such a good daughter and using your question to tell me what's on her mind.

Q. Oh, you have no idea. [Laughter]

The President. My mother-in-law lives at home, and so I—in the White House—so I've got some idea. [Laughter]

First of all, let me talk about Social Security and Medicare, because this has obviously been an issue that has been discussed a lot in the press lately as we think about our long-term finances. You can tell your mom that Medicare and Social Security will be there for her, guaranteed. There are no proposals out there that would affect folks that are about to get Social Security and Medicare, and she'll be qualifying—she already is starting to qualify for Medicare, and she'll be qualifying for Social Security fairly soon.

Social Security and Medicare, together, have lifted entire generations of seniors out of poverty. Our most important social safety net, and they have to be preserved. Now, both of them have some long-term challenges that we've got to deal with, but they're different challenges.

Social Security is actually the easier one; it's just a pure, simple math problem, and that is that right now the population is getting older, so more people are going on Social Security; you've got fewer workers supporting more re-

tirees. And so if we don't do anything, Social Security won't go broke, but in a few years what will happen is that more money will be going out than coming in. And over time, people who are on Social Security would only be getting about 75 cents on every dollar that they thought they'd be getting.

And so the Social Security system is not the big driver of our deficits, but if we don't want—if we want to make sure that Social Security is there for future generations, then we've got to make some modest adjustments. And when I say modest, I mean, for example, right now Social Security contributions are capped at a little over \$100,000 of earnings, and that means the vast majority of people pay Social Security taxes on everything they earn. But if you're earning a million dollars, only one-tenth of your income is taxed for Social Security. We could make that modification; that would solve a big chunk of the problem.

Medicare is a bigger issue because not only is the population getting older and more people are using it, but health care costs have been going up way too fast. And that's why part of my health care reform bill 2 years ago was, let's start changing how our health care system works to make it more efficient. For example, if your mom goes in for a test, she shouldn't have to then, if she goes to another specialist, take the same test all over again and have Medicare pay for two tests. That first test should be e-mailed to the doctor who's the specialist. But right now that's not happening. So what we've said is let's incentivize providers to do a more efficient job, and over time, we can start reducing those costs.

I've made some suggestions about how we can reform Medicare, but what I'm not going to do is what, frankly, the House Republicans proposed, which was to voucherize the Medicare system, which would mean your mom might pay an extra \$6,000 every year for her Medicare.

Q. Which she doesn't have.

The President. I'm assuming she doesn't have it.

Q. No.

The President. So we are going to be pushing back against that kind of proposal. And that raises the point I made earlier. If people like myself aren't paying a little more in taxes, then the only way you balance the budget is on the backs of folks like your mom, who end up paying a lot more in Medicare, and they can't afford it, whereas I can afford to pay a little more in taxes.

So that's on Medicare and Social Security. In terms of her finding a job, the most important thing we can do right now is to pass the "American Jobs Act," get people back to work. Because, think about it, if she's been in the food service industry, that industry is dependent on people spending money on food, whether it's at a restaurant or a cafeteria or buying more groceries. And if a construction worker and a teacher or a veteran have a job because of the programs that we proposed in the "American Jobs Act," they're going to be spending more money in food services, and that means that those businesses are going to have to hire more, and your mom is going to be more likely to be hired. All right?

Q. Yes. And one of the other issues, though, is just a matter that there's a big age gap between her and the other folks who are willing to come in and work for less money. They've got less experience.

The President. That is a challenge. It is tough being unemployed if you're in your fifties or early sixties, before retirement. That's the toughest period of time to lose your job. Obviously, it's never fun to lose your job, and it's always hard in this kind of really deep recession, but it's scariest for folks who are nearing retirement and may also be worrying about whether they've got enough saved up to ever retire.

So that's part of the reason why one of the things that we're also proposing, separate and apart from the jobs bill, is we've got to do a better job of retraining workers so that they, in their second or third or fourth careers, are able to go back to a community college, maybe take a short 6-month course or a 1-year course that trains them on the kinds of skills that are going

to be needed for jobs that are actually hiring—or businesses that are actually hiring right now.

We've done some great work working with community colleges to try to make sure that businesses help design the training programs so that somebody who enrolls—like your mom, if she goes back to school, she knows that after 6 months she will be trained for the particular job that this business is looking for.

All right? Thanks so much.

Q. Great.

The President. Tell her I said hi.

Q. Thank you. Okay.

Support for Small Businesses/Need for Government Regulation

Mr. Weiner. We're going to go to the group, the LinkedIn group. We had thousands of questions submitted, and here's one of them from LinkedIn member Marla Hughes. Marla is from Gainesville, Florida. She is the owner of Meticulously Clean, home and apartment cleaning service, and her question is: "As a small-business owner, regulation and high taxes are my worst enemies when it comes to growing my business. What are you going to do to lessen the onerous regulations and taxation on small businesses?"

The President. Well, it's hard to say exactly what regulations or taxes she may be referring to, because obviously, it differs in different businesses. But as I said, we've actually cut taxes for small business 16 times since I've been in office. So taxes for small businesses are lower now than they were when I came into office.

Small businesses are able to get tax breaks for hiring; they're able to get tax breaks for investment in capital investments; they are able to get tax breaks for hiring veterans. They're able to get tax breaks for a whole host of areas, including, by the way, a proposal we put forward that says that there should be no capital gains tax on a startup, to encourage more small businesses to go out there and create a business.

In terms of regulations, most of the regulations that we have been focused on are ones that affect large businesses, like utilities, for example. In terms of how they deal with safety

issues, environmental issues, we have been putting forward some tough regulations with respect to the financial sector, because we can't have a repeat of what happened in 2007.

And the fact of the matter is, is that if what happened on Wall Street ends up having a spillover effect to all of Main Street, it is our responsibility to make sure that we have a dynamic economy, we have a dynamic financial sector, but we don't have a mortgage brokerage operation that ends up providing people loans that can never be repaid and end up having ramifications throughout the system.

So you're going to hear from, I think, Republicans over the next year and a half that somehow if we just eliminated pollution controls or if we just eliminated basic consumer protections, that somehow that in and of itself would be a spur to growth. I disagree with that. What I do agree with is that there's some regulations that have outlived their usefulness. And so what I've done is I've said to all the agencies in the Federal Government, number one, you have to always take cost as well as benefits into account when you're proposing new regulations. Number two, don't just be satisfied with applying that analysis to new regulations, look back at the old regulations to see if there are some that we can start weeding out.

And we initiated the most aggressive—what we call look-back provisions—when it comes to regulations, where we say to every agency, go through all the regulations that you have on your books that flow through your agencies and see if some of them are still necessary. And it turns out that a lot of them are no longer necessary. Well, let's get rid of them if they've outlived their usefulness.

I think that there were some regulations that had to do with the transportation sector, for example, that didn't take into account that everybody operates on GPS now. Well, you've got to adjust and adapt to how the economy is changing and how technology has changed. And we've already identified about \$10 billion worth of savings just in the initial review, and we anticipate that that's only going to be a fraction of some of the paperwork and bureaucracy

and redtape that we're going to be able to eliminate.

But I will never apologize for making sure that we have regulations in place to ensure that your water is clean, that your food is safe to eat, that the peanut butter you feed your kids is not going to be contaminated; making sure that if you take out a credit card, there's some clarity about what it exactly is going to do and you're not seeing a whole bunch of hidden fees and hidden charges that you didn't anticipate. That's always been part of what makes the marketplace work, is if you have smart regulations in place, that means the people who are providing good value, good products, good services, those businesses are going to succeed. We don't want to be rewarding folks who are gaming the system or cheating consumers.

And I think that's how most Americans feel about regulations as well. They don't want more than is necessary, but they know that there's some things that we've got to do to protect ourselves and our environment and our children.

Mr. Weiner. Thank you for your question, Marla.

Job Growth Legislation/Student Loan Program

Now we're going to take a question from LinkedIn member Ester Abeja. Ester is an IT analyst from Chicago, Illinois.

The President. There you go.

Mr. Weiner. Ester—

The President. Chicago is all right too. [Laughter]

Mr. Weiner. —what is your question for the President?

Q. Good morning, Mr. President.

The President. Good morning.

Q. As Jeff said, I'm from Chicago, recently unemployed, and my fear is that the longer I'm unemployed, the harder it is going to be for me to get employed. It seems that nowadays employers are hiring people who are currently employed because they're in touch with their skill set. What programs do you think should be in place for individuals such as myself to keep in touch with our skills, be in demand, marketable, and eventually get hired?

The President. Well, first of all, you obviously are thinking ahead about how to keep your skills up. And the most important thing you can do is to make sure that, whether it's through classes or online training, or what have you, that you're keeping your skill sets sharp.

We, as part of the "American Jobs Act," are actually supporting legislation in Congress that says employers can't discriminate against somebody just because they're currently unemployed, because that doesn't seem fair. That doesn't make any sense. But the most important thing probably we can do for you is just make sure that the unemployment rate generally goes down, the labor market gets a little tighter so that employers start looking beyond just the people who are currently employed to folks who have terrific skills and just have been out of the market for a while.

So passing the "American Jobs Act" is going to be important. There's legislation in there that says you can't be discriminated against just because you don't have a job. The one other thing that we can do is, during this interim, as you're looking for a job, making it easier for you to be able to go back to school if you think there's some skill sets that you need, making it economical for you to do it.

One of the things that we did during the last 2½ years, it used to be the student loan program was run through the banks. And even though the Federal Government guaranteed all these loans, so the banks weren't taking any risks, they were taking about \$60 billion out of the entire program, which meant that there was less money to actually go directly to students. We ended that. We cut out the middleman, and we said let's use that money to expand the availability of Pell grants, to increase the amount that Pell grants—each Pell grant a student could get. And through that process, you've got millions of people all across the country who are able to actually go back to school without incurring the huge debt loads that they had in the past; although obviously, the cost of a college education is still really high.

But if we can do more to make it easier for you to keep your skills up even when you're not

already hired, hopefully, that will enhance your marketability to employers in the future. All right? Just looking at you I can tell you're going to do great.

Q. Thank you.

The President. Thank you.

Mr. Weiner. Thanks, Ester.

Employment Opportunities for Veterans

Our next question is from LinkedIn member Wayne Kulick. Wayne is from Phoenix, Arizona. He spent 25 years flying aircraft for the U.S. Navy and is now program director for American Express. Wayne.

Q. Good morning, Mr. President.

The President. Good morning, sir.

Q. I'm originally from Phoenix, Arizona, where I'm a program director, as Jeff had said. I retired in 2007. When I retired, networking was essentially how I got all my jobs after retirement. How do you envision the Government's role in integrating networking tools that aid veterans that are leaving the service and getting jobs?

The President. It's a great question. And first of all, let me thank you for your service to this country.

Q. My honor.

The President. We are very grateful to you for that. Thank you. But you were extraordinarily skilled, and even then it sounds like you had to rely on informal networks rather than a formal set of processes for veterans in order for you to find a job that used all your skills. We have not done as good of a job in the past in helping veterans transition out of the Armed Services as we should have.

I'll give you an example. I actually had lunch with a group of veterans from the Iraq and Afghan wars up in Minnesota. And a young man I was talking to had just gone back to school. He was getting his nursing degree. He had worked in emergency medicine in Iraq, multiple deployments, had probably dealt with the most incredible kinds of medical challenges under the most extreme circumstances, had received years of training to do this. But when he went back to nursing school, he had to start as if he had never been involved in medicine at all.

And so he had to take all the same classes and take the same debt burdens from taking those classes as if I had just walked in and could barely put a bandaid on myself. But he had to go through the same processes.

Well, that's an example of a failure on the part of both DOD and the VA—the Department of Defense and Veterans Administration—to think proactively: How can we help him make the transition?

So what we've started to say is let's have a sort of a reverse boot camp. As folks are thinking about retiring, as folks are thinking about being discharged, let's work with them while they're still in the military to say is there a way to credential them so that they can go directly into the job and work with State and local governments and employers, so that if they've got a skill set that we know is applicable to the private sector, let's give them a certification, let's give them a credential that helps them do that right away.

We've also then started to put together a network of business, and I actually asked for a pledge from the private sector, and we've got a commitment now that 100,000 veterans will be hired over the next several years. And that creates a network—and maybe they'll end up using LinkedIn, I don't know. But what we want to do is to make sure that, whether it's the certification process, whether it's the job search process, whether it's résumé preparation, whether it's using electronic networking, that we're using the huge capacity of the Veterans Administration and the Department of Defense, and all the Federal agencies, to link up together more effectively.

Because not only is the Federal Government obviously a big employer itself—and we've significantly increased the hiring of veterans within the Federal Government, including, by the way, disabled veterans and wounded warriors—but the Federal Government is also a big customer of a lot of businesses. And there's nothing wrong with a big customer saying to a business, you know what, we're not going to tell you who to hire, but here's a list of extremely skilled veterans who are prepared to do a great job and have shown incredible lead-

ership skills. Now, you think of these—you have 23-, 24-, 25-year-olds who are leading men into battle, who are handling multimillion-dollar pieces of equipment, and they do so flawlessly. Those leadership skills, those technical skills should be able to translate directly into jobs.

The last thing I'll say is obviously the “American Jobs Act” also would be helpful because it provides additional tax incentives for companies to hire our veterans.

Q. Thank you.

The President. Thank you.

Mr. Weiner. Thank you, Wayne. And thank you again for your service.

Let's turn to the audience now. A lot of hands going up. Mr. President, want to pick someone?

The President. Well—[laughter]—you kind of put me on the spot here. That guy, the guy in the glasses right back in the—right in the back there. Why not?

Taxes/Education

Q. Thank you, Mr. President. I don't have a job, but that's because I've been lucky enough to live in Silicon Valley for a while and work for a small startup down the street here that did quite well. So I'm unemployed by choice. My question is, would you please raise my taxes? [Laughter] I would like very much to have the country to continue to invest in things like Pell grants and infrastructure and job training programs that made it possible for me to get to where I am. And it kills me to see Congress not supporting the expiration of the tax cuts that have been benefiting so many of us for so long. I think that needs to change, and I hope that you will stay strong in doing that.

The President. Well, I appreciate it. What was the startup, by the way? You want to give me a little hint?

Q. It's a search engine. [Laughter]

The President. Worked out pretty well, huh?

Q. Yes. [Laughter]

The President. Well, look, let me just talk about taxes for a second. I've made this point before, but I want to reiterate this. So often the tax debate gets framed as “class warfare.” And

look, as I said at the outset, America's success is premised on individuals, entrepreneurs having a great idea, going out there and pursuing their dreams and making a whole lot of money in the process. And that's great. That's part of what makes America so successful.

But as you just pointed out, we're successful because somebody invested in our education, somebody built schools, somebody created incredible universities. I went to school on scholarship. Michelle—her dad was a—what's called a stationary engineer at the water reclamation district; never owned his own home, but he always paid his bills; had multiple sclerosis, struggled to get to work every day, but never missed a day on the job; never went to college, but he was able to send his daughter to Princeton and on to Harvard Law School. We benefited from somebody, somewhere making an investment in us. And I don't care who you are, that's true of all of us.

Look at this room. I mean, look at the diversity of the people here. A lot of us are—parents came from someplace else or grandparents came from someplace else. They benefited from a public school system, or an incredible university network, or the infrastructure that allows us to move products and services around the globe, or the scientific research that—Silicon Valley is built on research that no individual company would have made on their own because you couldn't necessarily capture the value of the nascent Internet.

So the question becomes: If we're going to make those investments, how do we pay for it? Now, the income of folks at the top has gone up exponentially over the last couple of decades, whereas the incomes and wages of the middle class have flatlined over the last 15 years. So this young lady's mom, who's been working in food services, she doesn't have a lot of room to spare. Those of us who have been fortunate, we do. And we're not talking about going to punitive rates that would somehow inhibit you from wanting to be part of a startup or work hard to be successful. We're talking about going back to the rates that existed as recently as in the nineties, when, as I recall, Silicon Valley was doing pretty good and well-to-

do people were doing pretty well. And it turns out, in fact, during that period, the rich got richer. The middle class expanded. People rose out of poverty, because everybody was doing well.

So this is not an issue of do we somehow try to punish those who have done well. That's the last thing we want to do. It's a question of how can we afford to continue to make the investments that are going to propel American forward.

If we don't improve our education system, for example, we will all fall behind. We will all fall behind. That's just—that's a fact. And the truth is, is that on every indicator—from college graduation rates to math and science scores—we are slipping behind other developed countries. And that's going to have an impact in terms of, if you're a startup, are you going to be able to find enough engineers? It's going to have an impact in terms of, is the infrastructure here good enough that you can move products to market? It's going to have an impact on your ability to recruit top talent from around the world. And so we all have an investment in improving our education system.

Now, money is not going to solve the entire problem. That's why we've initiated reforms like Race to the Top that says we're going to have higher standards for everybody. We're going to not just have kids taught to the test, but we're going to make sure that we empower teachers, but we're also going to hold them accountable and improve how we train our principals and our teachers. So we're willing to make a whole bunch of reforms, but at some point, money makes a difference. If we don't have enough science teachers in the classroom, we're going to have problems. Somebody has got to pay for it.

And right now we've got the lowest tax rates we've had since the 1950s. And some of the Republican proposals would take it back—as a percentage of GDP—back to where we were back in the 1920s. You can't have a modern industrial economy like that.

So I appreciate your sentiment. I appreciate the fact that you recognize we're in this thing together. We're not on our own. And those of

us who've been successful, we've always got to remember that.

Q. I know a lot of people in that same situation, and every one of them has said to me that they would support an increase in their taxes, so please.

The President. Well, we're going to get to work. Thank you.

Mr. Weiner. Thank you. Thank you for your question.

Global Competitiveness/Education

Next question was submitted to the LinkedIn group; it actually comes from a LinkedIn employee named Theresa Sullivan. It's a two-part question:

"First, do you think our public education system and our unemployment rates are related? And second, what, if any, overhaul in education is necessary to get Americans ready for the jobs of tomorrow, rather than the jobs of 20 years ago?"

The President. There is no doubt that there is a connection, long term, between our economic success, our productivity, and our education system. That's indisputable. When we were at our peak in terms of growth, back in the sixties and the seventies, in large part it was because we were doing a better job of training our workforce than anybody else in the world.

Now the rest of the world has caught up or is catching up. They're hungry. And as I said before, we are slipping behind a lot of developed countries. So our proportion of college graduates has not gone up, while everybody else's has gone up. Our proportion of high school graduates has not gone up, while everybody else's has gone up. And if you've got a billion Chinese and Indians and Eastern Europeans, all who are entering into a labor force and are becoming more skilled, and we are just sitting on the status quo, we're going to have problems.

Now, what can we do? This is a decade-long project; it's not a 1-year project. And we've been pushing since we came into office to look at the evidence, to base reforms on what actually works. The single most important ingredient in improving our schools is making sure we've

got great teachers in front of the—in front of every classroom.

And so what we've said is, let's make sure that we've hired enough teachers, let's train them effectively, let's pay them a good wage, let's make sure that we're putting a special emphasis on recruiting more math and science teachers—where STEM education is an area where we've fallen significantly behind. Let's make sure they're accountable, but let's also give them flexibility in the classroom so that they don't have to do a cookie-cutter, teach-to-the-test approach that squashes their creativity and prevents them from engaging students. But at the end of the year, let's make sure that they're doing a good job. And if there are teachers out there who are not doing a good job, let's work to retrain them. And if they're not able to be retrained, then we should probably find them a different line of work. We've got to have top-flight principals and leadership inside the schools. That makes a big difference.

We've also got to focus on—there are some schools that are just dropout factories where less than half of the kids end up graduating. A lot of them, the students are Black and Brown, but that's also the demographic that's growing the fastest in this country. So if we don't fix those schools, we're going to have problems. So we've said to every State, you know what, focus on the lowest performing schools and tell us what your game plan is to improve those schools' performance.

And it may be that we've got to also, in some cases, rethink how we get students interested in learning. IBM is engaged in a really interesting experience in New York where they're essentially setting up schools—similar to the concept I was talking about with community colleges—where they're saying to kids pretty early on—I think as early as eighth grade—we're going to design a program—IBM worked with the New York public schools to design a program—and this is not for the kids who are in the top 1 percent, this is for ordinary public school kids. You follow this program, you work hard, IBM will hire you at the end of this process. And it suddenly gives kids an incentive. They say, oh, the reason I'm studying math and

science is there's a practical outcome here. I will have a job. And there are practical applications to what I'm doing in the classroom.

And that's true at high-end jobs, but it's also true—we want to do more to train skilled workers even if they don't have a 4-year degree. It may be that the more the concept of apprenticeship and the concept of a rigorous vocational approach is incorporated in the high schools so the kids can actually see a direct connection to what they're learning and a potential career, they're less likely to drop out, and we're going to see more success.

So one last point I'll make about this is George Bush actually was sincere, I think, in trying to improve the education system across the country through something called No Child Left Behind, that said we're going to impose standards, there's going to be accountability; if schools don't meet those standards we're going to label them as failures, and they're going to have to make significant changes. The intent was good. It wasn't designed as well as it could have been. In some cases, States actually lowered their own standards to make sure that they weren't labeled as failures. There wasn't enough assistance given to these schools to meet the ambitious goals that had been set.

So what we've said is, look, we'll provide States some waivers to get out from under No Child Left Behind if you can provide us with a plan to make sure that children are going to be college and career ready. And we'll give you more flexibility, but we're still going to hold you accountable, and we will provide you the tools and best practices that allow you to succeed.

So last point I'll make on this, there is also a cultural component to this, though. We, as a country, have to recognize that all of us are going to have to up our game and we, as parents, have to instill in our kids a sense of educational excellence. We've got to turn off the TV set. I know it's dangerous to say in Silicon Valley, but put away the video games sometimes and all the electronics unless it's school related. And we've just got to get our kids more motivated

and internalizing that sense of the importance of learning.

And if we don't do that, we're going to continue to slip behind, even if some of these school reform approaches that we're taking are successful.

Mr. Weiner. Thank you, Theresa.

National Economy/Unemployment Insurance Benefits

Our next question comes from LinkedIn member Robert Holly who is joining us from Charlotte, North Carolina. After a promising career in financial services, Robert was, unfortunately, recently laid off. Robert, what is your question?

Q. Good morning, Mr. President.

The President. Good morning.

Q. As Jeff mentioned, I have a 22-year, very successful career in IT management, but I find myself displaced. And not only that, I look at the statistics for unemployment: 16.7 percent for African Americans. My question would be—and not just for the African Americans, but also for other groups that are also suffering—what would be your statement of encouragement for those who are looking for work today?

The President. What I would say is just that given your track record, given your history, seeing you stand here before this group, you're going to be successful. You've got a leg up on a lot of folks. You've got skills, you've got experience, you've got a track record of success. Right now your challenge is not you, it's the economy as a whole. And by the way, this is not just an American challenge, this is happening worldwide.

I hope everybody understands our biggest problem right now—part of the reason that this year, where at the beginning of the year, economists had estimated, and financial analysts had estimated, that the economy was going to be growing at about 3.5 percent, and that has not happened—in part has to do with what happened in the Middle East and the Arab Spring, which disrupted energy prices and caused consumers to have to pull back because gas was getting so high; what's happening in

Europe, which they have not fully healed from the crisis back in 2007 and never fully dealt with all the challenges their banking system faced. It's now being compounded by what's happening in Greece. So they're going through a financial crisis that is scaring the world. And they're trying to take responsible actions, but those actions haven't been quite as quick as they need to be.

So the point is, is that economies all around the world are not growing as fast as they need to. And since the world is really interconnected, that affects us as well. The encouraging thing for you is that when the economy gets back on track in the ways that it should, you are going to be prepared to be successful. The challenge is making sure that you hang in between now and then.

That's why things like unemployment insurance, for example, are important. And part of our jobs act is to maintain unemployment insurance. It's not a end all, be all, but it helps folks meet their basic challenges. And by the way, it also means that they're spending that money and they're recirculating that into the economy, so it's good for businesses generally.

Some of the emergency measures that we've been taking and we've proposed to take help to bridge the gap to where the economy is more fully healed. And historically, after financial crises, recessions are deeper, and they last longer than after the usual business cycle recessions.

So I guess the main message I have for you is the problem is not you, the problem is the economy as a whole. You are going to be well equipped to succeed and compete in this global economy once it's growing again. My job is to work with everybody I can—from the business community to Congress to not-for-profits, you name it—to see if we can speed up this process of healing and this process of recovery.

And in the meantime, we will make sure that things like unemployment insurance that are there to help people during tough times like this are going to continue to be available. And if there are—since you're in IT, if there are areas where you need to be sharpening your skills, as the young lady here mentioned,

we are going to make sure that the resource is available for you to be able to go back to school and do that.

Thank you.

Mr. Weiner. Thank you. That was our last question. We're going to begin to wrap it up, and before I turn it over to you for some concluding remarks, I just wanted to say thank you and let you know how much we appreciate the work that you're doing. I know I speak for a lot of people when I say I can't think of anything more important than creating economic opportunity when it comes to profoundly and sustainably improving the quality of an individual's life, the lives of their family members, the lives of the people that they in turn can create jobs for.

And in hard-hit American cities and developing countries around the world, these folks are creating role models for the next generation of entrepreneurs and professionals that didn't even know it was possible.

So on behalf of myself, on behalf of our visionary founder, Reid Hoffman, without whom none of this would have been possible, on behalf of our employees, of course, our members, on behalf of our country, thank you, Mr. President.

The President. Well, the—thank you so much. Thank you. Well, let me just say these have been terrific questions, and I so appreciate all of you taking the time to do this. I appreciate LinkedIn helping to host this. And for those of you who are viewing, not in this circle, but around the country, maybe around the world, I appreciate the chance to share these ideas with you.

Look, we're going through a very tough time. But the one thing I want to remind everybody is that we've gone through tougher times before. And the trajectory, the trend of not just this country, but also the world economy, is one that's more open, one that's more linked, one that offers greater opportunity, but also one that has some hazards. If we don't prepare our people with the skills that they need to compete, we're going to have problems. If we don't make sure that we continue to have the best infrastructure in the world,

we're going to have problems. If we're not continuing to invest in basic research, we're going to have challenges. If we don't get our fiscal house in order in a way that is fair and equitable so that everybody feels like they have responsibilities to not only themselves and their family, but also to the country that's given them so much opportunity, we're going to have problems.

And so I am extraordinarily confident about America's long-term future. But we are going to have to make some decisions about how we move forward. And what's striking to me is, when we're out of Washington and I'm just talking to ordinary folks, I don't care whether they're Republicans or Democrats, people are just looking for common sense. The majority of people agree with the prescriptions I just offered. The majority of people by a wide margin think we should be rebuilding our infrastructure. The majority of folks by a wide margin think that we should be investing in education. The majority of people by a wide margin think we should be investing in science and technology. And the majority of people think by a wide margin that we should be maintaining programs like Social Security and Medicare to provide a basic safety net.

The majority of people by a significant margin think that the way we should close our deficit is a balance of cutting out those things that we don't need, but also making sure that we've got a Tax Code that's fair and everybody is paying their fair share.

Remarks at a Democratic National Committee Fundraiser in La Jolla, California September 26, 2011

The President. It's wonderful to see you all. Please have a seat. To Liz and Mason, thank you so much for the wonderful introduction. Along with the Phelps, I have to acknowledge my dear, dear friend Christine Forester, who has just been—I was just reminded by our staff this was actually the first fundraiser that I did in this home after I announced in Springfield, Illinois.

So the problem is not outside of Washington. The problem is, is that things have gotten so ideologically driven and everybody is so focused on the next election and putting party ahead of country that we're not able to solve our problems. And that's got to change. And that's why your voices are going to be so important.

The reason I do these kinds of events is I want you to hear from me directly. I want to hear from you directly, but I also want your voices heard in the Halls of Congress. I need everybody here to be speaking out on behalf of the things that you care about and the values that made this country great and to say to folks who you've elected, say to them, we expect you to act responsibly and not act in terms of short-term political interest. Act in terms of what's going to be good for all of us over the long term.

If that spirit, which all of you represent, starts asserting itself all across the country, then I'm absolutely confident the 21st century is going to be the American century just like the 20th century was.

So thank you very much everybody. God bless you.

Mr. Weiner. Thank you, everybody.

The President. Thank you.

NOTE: The President spoke at 10:58 a.m. at the Computer History Museum. In his remarks, he referred to Warren E. Buffett, chief executive officer and chairman, Berkshire Hathaway Inc.; and his mother-in-law Marian Robinson.

So these are some early, early supporters, back when a lot of folks still could not pronounce my name. [*Laughter*] And they have been there ever since, and I could not be more grateful to them. And I could not be more grateful to you. In fact, some of you were in that first fundraiser, weren't you?

Audience member. Yes!